PACIFIC GROUNDFISH BUY-BACK PROGRAM

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WWW.TRAWL.ORG
Pacific Coast Groundfish

Multi-species Fishery

80+ Species
  Rockfish (Sebastes)
  Flatfish
  Whiting

Multi-sector

Commercial

Recreational
Multi-gear Commercial Fishery

Trawl
Longline
Trap
Setnet
Hook and Line
Troll
Prior to 1970’s
Stable Landings

Mid 70’s through 1980’s
Build-up of the Fleet – Increased Landings

- Magnuson Act
- Regulation displacing fishermen
- Fishing Vessel Obligation Loan
- Capitol Construction Fund
- Investment Tax Credit
History of Management

State Regulations – Until 1982
  Passive Regulations

Federal Regulations
  1982
    Hard quotas
    Gear regulation
    Sizes
    Trip Limits

1987 – Asked for Limited Entry
1994 – Implemented Limited Entry
1996 – SFA / Precautionary Approach
2000 – Declared a Fishery Disaster
SUSTAINABLE FISHERIES ACT OF 1996

Signed into law in October 1996

Section 312b – Industry Funded Buy-backs

Pacific Fishery Management Council

November 1996

Appoint Committee
FIRST BUY-BACK PROPOSAL
(TRAWL PERMIT ONLY)

REDUCTION GOAL 80-90 PERMITS OUT OF 280

NMFS SEND OUT BID FORMS

BIDS PRICES RANKED FROM LOW TO HIGH
REJECT BID GREATER THAN ONE STANDARD DEVIATION

POTENTIAL FOR SEVERAL ROUNDS OF BIDS
# QUALIFYING BIDS => REDUCTION GOAL
AND SUM OF BIDS <= THAN AVAILABLE $
THEN ALL BIDS WOULD BE BOUGHT

HOWEVER

IF THE # OF BIDS WAS < THE REDUCTION GOAL THEN A SECOND ANOTHER ROUND OF BIDDING WOULD OCCUR
TOTAL LOAN AMOUNT OF $28 MILLION

1\textsuperscript{ST} ROUND = $10 MILLION

2\textsuperscript{ND} ROUND = $15 MILLION

3\textsuperscript{RD} ROUND = $20 MILLION

4\textsuperscript{TH} ROUND = $28 MILLION
CONCERNS RAISED

ALLOCATION

EFFORT SHIFTS
PACIFIC COUNCIL STRATEGIC PLAN

GOAL TO REDUCE FLEET BY 50%

METHODS:

1) BUY-BACK

2) IFQ’S

3) RE-ISSUE PERMITS
### Comparison of Active Fishing Fleets in Two Buy-Back Fisheries and the Pacific Groundfish Fisher

<table>
<thead>
<tr>
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<tbody>
<tr>
<td><strong>New England</strong></td>
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<tr>
<td>Total # permits</td>
<td>1763</td>
<td>1776</td>
<td>1649</td>
<td>1645</td>
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<tr>
<td># w/ 1000lbs +</td>
<td>871</td>
<td>894</td>
<td>865</td>
<td>849</td>
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<tr>
<td># w/ 1 to 1000 lbs</td>
<td>201</td>
<td>180</td>
<td>155</td>
<td>166</td>
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<tr>
<td># w/ zero lbs</td>
<td>691</td>
<td>702</td>
<td>629</td>
<td>630</td>
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<td></td>
</tr>
<tr>
<td>% Active</td>
<td>49.4%</td>
<td>50.3%</td>
<td>52.5%</td>
<td>51.6%</td>
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<td></td>
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<tr>
<td><strong>Washington Salmon</strong></td>
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<tr>
<td>Total # permits</td>
<td>2476</td>
<td>2096</td>
<td>1925</td>
<td>1901</td>
<td>1530</td>
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<tr>
<td># w/ 1000lbs +</td>
<td>966</td>
<td>766</td>
<td>531</td>
<td>701</td>
<td>501</td>
<td></td>
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<tr>
<td># w/ 1 to 1000 lbs</td>
<td>1025</td>
<td>331</td>
<td>294</td>
<td>535</td>
<td>137</td>
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</tr>
<tr>
<td># w/ zero lbs</td>
<td>485</td>
<td>999</td>
<td>1100</td>
<td>665</td>
<td>892</td>
<td></td>
</tr>
<tr>
<td>% Active</td>
<td>39.0%</td>
<td>36.5%</td>
<td>27.6%</td>
<td>36.9%</td>
<td>32.7%</td>
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<tr>
<td><strong>Pacific Groundfish - Trawl</strong></td>
<td></td>
<td></td>
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<tr>
<td>Total # permits</td>
<td>384</td>
<td>287</td>
<td>286</td>
<td>280</td>
<td>275</td>
<td>274</td>
</tr>
<tr>
<td># w/ 2200lbs +</td>
<td>293</td>
<td>274</td>
<td>269</td>
<td>252</td>
<td>238</td>
<td>240</td>
</tr>
<tr>
<td># w/ 1 to 2200 lbs</td>
<td>11</td>
<td>9</td>
<td>2</td>
<td>9</td>
<td>11</td>
<td>7</td>
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<tr>
<td># w/ zero lbs.</td>
<td>80</td>
<td>4</td>
<td>15</td>
<td>19</td>
<td>26</td>
<td>27</td>
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<tr>
<td>% Active (see note)</td>
<td>76.3%</td>
<td>95.5%</td>
<td>94.1%</td>
<td>90.0%</td>
<td>86.5%</td>
<td>87.6%</td>
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</tbody>
</table>
SENT OUT QUESTIONNAIRE
NUMBER OF STATE PERMITS BY FISHERY

POUNDS AND VALUE OF LANDINGS IN EACH FISHERY
BENEFIT TO EACH FISHERY

POUNDS

ESTIMATED FEES

RETURN ON INVESTMENT
WHAT CONGRESS PROVIDED

INDUSTRY AND GOVERNMENT FUNDING

TRAWL PERMIT HOLDERS

RETIRE ALL FISHING PERMITS AND VESSEL

VESSEL COULD NOT FISH ANYWHERE
PARTICIPANTS

SUBMIT BIDS

“BLIND, SILENT, REVERSE AUCTION”

SCORE BIDS – BID / REVENUE
COST SHARING OF LOAN

DEBT OBLIGATION OF SECTOR IN PROPORTION TO REVENUE

FEES SET SEPARATELY TO REPAY LOAN

REFERENDUM

MAJORITY RULE

VOTES WEIGHTED BY DEBT OBLIGATION